

Problem: Disarticulation of farmers' information sources, production advice and marketing opportunities -- the necessary knowledge to enable people to produce for markets and reach those markets is lacking

Solution hypothesis: Develop demand-driven training and field advisory services financed by and accountable to members of smallholder producer associations, supporting institutional capacity building through member-defined training and ICT development.

Enhancing innovation capacity and market access of smallholder potato and sweetpotato farmers and vegetable growers in East and Southern Africa

1. THE CONCEPT

The purpose of the project is to improve the market access by smallholder potato and sweetpotato farmers and vegetable growers by fostering market-chain innovation to improve competitiveness of market chains in ways that benefit small farmers as well as other market chain actors in East and Southern Africa. The projects intends to achieve this by producing the following four outputs: (1) new market opportunities for potatoes, sweetpotatoes and other vegetables benefiting small farmers identified and taken up; (2) improved entrepreneurial, organizational and technical capacity of groups of farmers to identify and respond to new business opportunities; (3) strengthened capacity of service providers to respond dynamically to farmers' needs in a market chain context; and (4) enhanced social capital to support market chains, build trust between actors, share knowledge and promote South-South learning.

2. RATIONALE AND EVIDENCE THE PROJECT CAN BE SUCCESSFUL

A lack of trust and opportunities for coordination between farmers and other market chain actors limits the capacity of farmers to innovate and make use of emerging market opportunities. The Participatory Market Chain Approach (PMCA) has proven useful in Uganda and in the Andes both to strengthen innovation capacity and to develop pro-poor market chain innovation. The proposed project provides an opportunity to build on the body of knowledge and experience of PMCA gained in the Andes as well as recently in Uganda, where the approach was successfully applied in collaboration with the Association for strengthening Agricultural Research in Eastern and central Africa (ASARECA) and with national partners supported by CIP's Papa Andina Initiative and the Impact Enhancement Division. The project will help consolidate ongoing PMCA applications in potato, sweetpotato and vegetable market chains, and validate the approach in other commodity chains through human and institutional capacity building. Based on the assessment of the Uganda experience with the PMCA, it seems clear that other countries in Sub-Saharan Africa could benefit from the PMCA with the support of experienced Uganda facilitators.

3. EXPECTED BENEFITS OF THE PROJECT INCLUDING COMMENTS ON SUSTAINABILITY AND SCALE

The project intends to investigate incentives and constraints when promoting innovation along the potato, sweetpotato and vegetable market chains to enhance competitiveness and reduce poverty in East and Southern Africa. The project will achieve this through capacity development, and the application and validation of two linked methodologies: the participatory market chain approach (PMCA) and participatory agribusiness development (PAD). Several organizations in Uganda (for example, NARO, Competitiveness and Investments Climate Secretariat (CICS), Federation of Associations of Ugandan exporters-FAUEX) are already committed to institutionalize and support PMCA work with traditional commodities and high value exports. The hypotheses of this project is that PMCA and PAD can: (1) stimulate trust between market actors; (2) generate innovations among market chain actors; (3) stimulate the emergence of new business opportunities; (4) create dynamic and innovative groups of entrepreneurial smallholders; and (5) improve the livelihoods of resource poor farmers in Uganda and in other countries of the region . The hypotheses will be tested by employing an innovation systems approach following an opportunity-driven trajectory by analyzing market chain actors, their attitudes and practices, patterns of interaction, and the enabling environment, including incentives and resources for research, training and private sector involvement. The project will contribute to understanding how the agricultural sector can make better use of CIP's knowledge and technologies and design alternative interventions (that is, PMCA and PAD) to strengthen value chains by more effectively linking supply and demand in selected commodities, including potatoes, sweetpotatoes as well as (African indigenous) vegetables.

Like Uganda, other countries of the region could benefit from use of the PMCA. Introducing the approach elsewhere could be achieved more quickly by building on the considerable capacity that Uganda has developed for application of the PMCA.

4. HOW THE PROJECT WILL TARGET THE NEEDS AND BE OF SPECIFIC BENEFIT TO WOMEN SMALLHOLDERS

Farmers will be empowered to play a leading role in innovation process. Linkages will be developed with a range of market chain actors (micro, small and medium enterprises) who can play a key role in innovation and the development of new market opportunities. Service providers in the areas of agribusiness development and agricultural research and extension will also be actively engaged in the project. Stakeholders will be brought together through multi-stakeholder platforms to promote mutual understanding, the development of a shared vision and to sustain collective action across the market chain in a way that favors smallholders. The project will be gender-responsive and gender-focused in all its activities in order to address gender inequalities, for example, in Uganda where women lag behind men in terms of education, income level and limited economic opportunities (GoU, 2000a). The project will monitor the contribution to the reduction of gender inequalities and assess their economic gains from the project's interventions.

5. PROJECTED COSTS OF THE PROJECT

In Uganda where the PMCA has been piloted in commodity chains for potato, sweet potato and vegetables, the project will concentrate on PADs to develop complementary capacity amongst farmers and local service providers to respond to the new market opportunities.

The project will also target three market chains in Kenya, Tanzania and Malawi. The project will work through local organizations with capacity to facilitate innovation processes in these market chains. The central element of capacity development in PMCA is a set of four workshops which are linked to the three stages of the PMCA process. The project will provide complementary funding to support the application of a PMCA application in each of these market chains. Follow up in years two and three will concentrate on PAD.

Implementation of the PMCA will cost around US\$350,000 per country for three market chain for a period of about 15 months. Follow up activities and support to strengthen innovations for at least two years can be estimated at US\$100,000 per market chain. Total costs for 3 countries would be around \$2,000,000 for a three year project in East Africa and an additional \$2,000,000 to include three more countries in Southern Africa.

6. MEASURES OF SUCCESS

The results of the project will be assessed first in terms of the commercial, technological, and institutional innovations generated, and then in terms of the capacities developed that can support future innovation processes. Both these types of result are important. Tangible, visible innovations that benefit poor farmers and other market chain actors – particularly new products – will be the ultimate goal of the project.. Hence success will be measured by the number of innovations generated within market chains, the number of farmers who benefit and the additional income generated for each farmer involved.

It should be mentioned that in the longer term, however, the capacities to innovate that have been built up – the social capital, knowledge, and skills –are likely to have greater social and economic impacts.

7. RISKS [Please articulate the risks that could inhibit the success of the project.]

Two factors that may inhibit the success of the project are: (1) the lack of sustained commitment of local organizations and individuals to implement the PCMA, and the lack of economic policies that support market chain innovation and development